

- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
 ■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

Minute Action

AGENDA ITEM: 7

Date: March 11, 2009

Subject: 2009/2010 Budget – Administrative Committee Task Review and the Measure I Revenue Budget Estimate

Recommendation:* Review and provide direction relative to proposed tasks to be included in the 2009/2010 Budget and the Measure I Revenue Estimate for the 2009/2010 Budget.

Background: SANBAG staff has been developing tasks relative to the 2009/2010 Budget. Details included with this item are narrative descriptions and draft total budget information for the tasks which come under the purview of the Administrative Committee. This review of tasks is intended to gain input on the appropriateness of the type and scope of the work effort. At this time, budget amounts and fund types are preliminary pending agency-wide revenue and expenditure compilation and review by SANBAG policy committees

The following tasks are presented for Committee review:

<u>Task Number</u>	<u>Description</u>	<u>Manager</u>
10410000	Inter-Governmental Relations	Franco
50310000	Legislation	Franco
49010000	Council of Govts. New Initiatives	Baker
80510000	Building Operations	Baker
80610000	Building Improvements	Baker
60510000	Publications & Public Outreach	Barmack
50110000	Federal/Transit Act Programming	Bair

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Approved
Administrative Committee

Date: _____

Moved:

Second:

In Favor:

Opposed:

Abstained:

Witnessed: _____

<u>Task Number</u>	<u>Description</u>	<u>Manager</u>
50210000	TDA Administration	Bair
50610000	Local Transportation Fund	Bair
50710000	State Transit Assistance Fund	Bair
51310000	Measure I Valley E & D	Bair
50410000	Measure I Admin – Valley	Stawarski
91800000	Valley Measure I Local	Stawarski
94210000	Financial Management	Stawarski
90710000	Debt Service – Big Bear/92 Issue	Stawarski
90810000	Debt Service – Mt. Unicorp./93 Issue	Stawarski
93110000	Debt Service – Major/97 Issue	Stawarski
94410000	Debt Service – Major/96 Issue	Stawarski
94610000	Debt Service – Barstow/96	Stawarski
94810000	Debt Service – Major/01 Issue A	Stawarski
94910000	Debt Service – Major/01 Issue B	Stawarski
95010000	Debt Service – Yucca Valley/01 Issue B	Stawarski

The proposed Measure I revenue estimate recommended by staff for the FY2009/2010 budget is based upon a 5% decrease over the FY 2008/2009 estimated revenue. Actual 2007/2008 Measure I revenue decreased 4.05% over the FY 2006/2007 revenue. Actual FY 2008/2009 revenue for the first 8 months is approximately 11.2% below FY 2007/2008 actual revenues for the same period. The staff recommendation represents a conservative Measure I revenue estimate for budget purposes to reflect the economic slowdown which has affected the taxable sales revenue.

The Administrative Committee serves as the primary policy committee for budget review. This agenda item provides for task level review. At the April meeting of the Administrative Committee, information will be presented relative to anticipated levels of revenue from all sources, staffing, and program level budgets.

Financial Impact: The tasks under the purview of the Administrative Committee are those which deal with the overall agency administration and support. These tasks will be part of the overall budget adoption which establishes the financial and policy direction for the next fiscal year.

Reviewed By: This item is scheduled for review by the Administrative Committee on March 11, 2009.

Responsible Staff: William Stawarski, Chief Financial Officer

TASK: 10410000 INTERGOVERNMENTAL RELATIONS

OBJECTIVE: To foster SANBAG's involvement in a broad range of local, regional state and federal governmental settings.

ACCOMPLISHMENTS: SANBAG worked regional issues of with its Southern California Consensus partners, which included Riverside Transportation Commission (RCTC), Los Angeles County Metropolitan Transportation Authority (LAMTA), Orange County Transportation Commission (OCTA), Ventura County Transportation Commission (VCTC), Alameda Corridor Transportation Authority (ACTA), Alameda Corridor East Construction Authority, Southern California Regional Rail Authority, the California Department of Transportation (Caltrans), the Ports of Los Angeles/Long Beach/Hueneme, South Coast Air Quality Management District (AQMD), and the Southern California Association of Governments (SCAG). Together, the Southern California region was able to effective advocate for Trade Corridor Improvement Funds from Proposition 1B.

Additionally, SANBAG has maintained representation at the California Association of Council of Governments (CALCOG), Self-Help Counties Coalition and business sector organizations such as the Coalition for Americas Gateways and Trade Corridors, Mobility 21 and Inland Action. SANBAG also continues to coordinate with the California League of Cities and California State Association of Counties, to the extent possible.

DESCRIPTION: This work element groups all policy development, interagency activities and regional and statewide committee participation into one work element. Intergovernmental activity including Mountain/Desert, Inland, and city manager divisions of the League of Cities as well as the California State Association of Counties is included in this task. Staff also participates in statewide advocacy groups: e.g., the Self-Help Counties Coalition, Southern California Associated Governments, California Association of Councils of Governments, California Transit Association and the International City/County Management Association.

This task also provides for collaboration with local, State, and Federal agencies relative to SANBAG's Measure I Program.

SANBAG support for the monthly San Bernardino City/County Managers Technical Advisory Committee is budgeted in this task. The work element supports the participation and dues for SANBAG Board Members in California Association of Council of Governments and Western Council of Governments' meetings.

WORK ELEMENTS:

1. Participation in the Self-Help Counties Coalition, and the League of Cities Transportation and City Managers Department meetings (bi-monthly), the International City/County Management Association, and the California Transit Association.
2. Participation in League of California Cities, Inland & Desert/Mountain Division, as well as each League Division's new Legislative Task Force.

3. Support of SANBAG's City/County Managers Technical Advisory Committee meetings.

4. Augmenting the bi-monthly CALCOG Directors meeting, CALCOG conducts an annual two-day policy conference in April, and a Board meeting in conjunction with either the League of Cities or the California State Association of Counties (CSAC) annual meeting in the October-November time frame.

5. Participation on the executive board for Mobility 21 and Inland Action.

6. Participation on the Coalition for Americas Gateways and Trade Corridors policy committee pertaining to goods movement.

PRODUCTS: SANBAG involvement and leadership in regional and statewide government associations. Fuller understanding and support for SANBAG policies and program by member jurisdictions, regional and state organizations.

Through enhanced outreach, engender a broader understanding of discretionary transportation projects and program issues. Periodic memoranda and board action items as well as text of speeches and presentations, will document these efforts.

FUNDING

SOURCES:	\$ 28,653	General Assessment Dues
	\$ 4,205	Measure I Mountain/Desert Administration Fund
	<u>\$375,046</u>	<u>Measure I Valley Administration Fund</u>
	<u>\$407,904</u>	<u>TOTAL NEW BUDGET</u>
	\$ 0	Total Anticipated Encumbrances on 06/30/08
	\$ 0	Unbudgeted Obligations for Contracts Approved Prior to FY 2008/2009

MANAGER: Jennifer Franco

TASK NO. 10410000 Intergovernmental Relations
MANAGER: Jennifer Franco

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Salaries	69,678	125,870	97,308
Fringe Allocation	59,353	72,828	49,316
Indirect Allocation	128,003	172,430	107,050
Extra Help	22	0	0
CNG Van	0	200	200
Communications	0	500	300
Contributions/Other Agencies	0	6,000	6,000
Meeting Expense	5,446	2,500	3,500
Mileage Reimb/Nonemployee	0	100	280
Mileage Reimb/SANBAG Only	66	2,500	1,000
Office Expense	26	1,500	100
Postage	73	400	300
Printing – Internal Only	4	500	100
Printing – Miscellaneous	0	500	150
Professional Services	1,480	77,000	50,000
Subscriptions	4,029	500	500
Training/Membership	60,358	45,000	65,000
Travel – Air	2,768	14,000	13,000
Travel - Other	1,684	9,000	12,500
Travel – Other/Nonemployee	435	1,000	500
Travel – Air/Nonemployee	0	1,000	800
Total New Budget	\$0	\$0	
Total Actual/Planned Budget	\$333,425	\$533,328	\$407,904

TASK: 50310000 LEGISLATION

OBJECTIVE: Advocate the funding, legislative, and administrative processes which provide for local decision-making relative to transportation priorities and the ability to deliver transportation projects in an economical and timely manner through participation in state and federal legislative and regulatory processes.

ACCOMPLISHMENTS: Throughout this year, SANBAG continued working with its state and federal advocates to reach out to the advocacy firms of our member cities and county to reinforce SANBAG's unified message.

The work supported by this task included legislative research, support materials for elected officials pertaining to SANBAG's policy position and projects, coordination meetings, briefings for state/federal elected officials, and their staffs, and advocacy trips.

In Washington, D.C., SANBAG met with Congressional representatives concerning the American Recovery and Reinvestment Act of 2009; the Fiscal Year 2010 Transportation, Housing and Urban Development appropriations bill; and the upcoming transportation reauthorization bill. Support materials for this trip included a new SANBAG video to highlight large-scale regional projects located in San Bernardino County and a booklet providing background information for SANBAG's multifaceted advocacy strategy.

Meanwhile, in Sacramento, SANBAG worked with the Legislature to understand the complexity of our funding issues in relation to the state's cash-flow crisis. SANBAG actively sought for the protection of transit funds provided by State Transit Assistance Funds and for the consensus effort to assure the quick and equitable distribution of ARRA funds.

DESCRIPTION: This program has three components; 1) monitoring state and federal legislation; 2) providing written information to the Board and recommending SANBAG positions on legislation to implement the Board's goals; and 3) creating legislative proposals, sponsoring and directly advocating legislation to carry out SANBAG legislative and administrative advocacy programs.

The task budget contains funding for two professional services contractors, representing the agency in Sacramento and Washington, D.C. Additional provisions of this budget also entail the cost for a regularly schedule board advocacy trip to Washington, D.C. and an annual SANBAG-sponsored trip for D.C. staffers to visit SANBAG.

WORK ELEMENTS:

1. Manage contracts and coordinate activity of SANBAG Sacramento and Washington, D.C. legislative advocacy firms:
 - a. Up to eight annual trips to Washington, D.C. The number of trips also includes trips taken by the executive director related to this task.

- b. Two Sacramento trips monthly.
 - c. Up to three trips per year for advocates to attend SANBAG meetings.
- 2. Convening periodic meetings with state, federal and local government legislative staff members:
 - a. Federal staff briefing, mid-January, second or third Friday.
 - b. Periodic state legislative staff issues briefings--lunch meetings.
 - c. SANBAG advocacy trip in D.C. for up to seven board members
- 3. Coordinate legislative strategies and positions with member agencies of the Southern California Legislative Roundtable, League of Cities, the California Transit Association, California Council of Governments (CALCOG), and state and federal legislators.
- 4. Preparation of legislative matrixes of key bills, written attachments and oral presentations to the SANBAG and appropriate SANBAG Committees.
- 5. Direct contact with legislative offices providing information on adopted SANBAG legislative positions.
- 6. To advocate for transportation-related issues under consideration in the state Legislature and Congress.

PRODUCTS: Products of this work element include enhanced knowledge of state and federal transportation issues by the SANBAG Board, as well as fiscal and regulatory benefits accruing from the passage of SANBAG sponsored legislation. Through the new Fiscal Year 2008/09 SANBAG legislative program, actions will be taken to seek federal earmarks, maintain funding at the state and federal level, and solicit legislative support.

FUNDING

SOURCES:	\$512,749	Measure I Valley Administration Fund
	<u>\$ 4,205</u>	<u>Measure I Mountain/Desert Administration Fund</u>
	<u>\$516,954</u>	<u>TOTAL NEW BUDGET</u>
	\$ 5,700	Total Anticipated Encumbrances on 06/30/08
	\$ 166,000	Unbudgeted Obligations for Contracts Approved Prior to FY 2009/2010

MANAGER: Jennifer Franco

TASK NO. 50310000 Legislation
MANAGER: Jennifer Franco

D R A F T

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$5,700
Line Item			
Salaries	81,009	70,774	108,540
Extra Help	10,677	11,514	0
Fringe Allocation	69,004	40,950	55,008
Indirect Allocation	159,382	96,954	119,406
Communications	0	2,000	1,000
Meeting Expense	3,830	4,500	3,000
Mileage Reimb/SANBAG Only	211	1,000	1,000
Office Expense	201	1,000	500
Postage	408	500	200
Printing – Internal Only	177	500	600
Printing - Miscellaneous	775	500	200
Professional Services	156,104	175,318	179,500
Subscriptions	7,088	5,000	7,000
Training/Membership	6,019	2,000	2,000
Travel – Air	6,128	12,000	6,000
Travel – Other	20,868	6,000	10,000
Travel – Air/Nonemployee	6,696	10,000	13,000
Travel – Other/Nonemployee	1040	10,000	10,000
Total New Budget	\$0	\$0	\$516,954
Total Actual/Planned Budget	\$529,617	\$450,510	\$522,654

TASK: 49010000 COUNCIL OF GOVERNMENTS NEW INITIATIVES

OBJECTIVE: To serve as a depository for SANBAG membership dues which have been reserved for new initiatives related to Council of Governments activities. To continue the initiative approved by the Board of Directors in Fiscal Year 2008/2009 to work with the Inland Empire Economic Recovery Corporation to promote and implement programs to help prevent home foreclosures.

ACCOMPLISHMENTS: This task was created in 1999/2000 to develop a reserve of funds which could be allocated to new initiatives approved by the SANBAG Board of Directors. Since creation of this task, funds have been allocated for exploration of e-Government strategies and analysis of the impacts of electrical power industry on local governments. In Fiscal Year 2008/2009 the Board of Directors allocated \$50,000 to collaborate with the Inland Empire Economic Recovery Corporation to help prevent home foreclosures. SANBAG helped publicize and hold six home foreclosure prevention seminars throughout the County and hosted training by the US Department of Housing and Urban Development for staff from cities and the County foreclosure prevention programs.

DESCRIPTION: SANBAG has collected general membership dues since its inception. The dues are assessed according to a formula based 50% on population and 50% on assessed valuation of each member jurisdiction. The general membership assessment is collected to fund the activities of SANBAG when acting in its role as Council of Governments.

The 1999/2000 budget included an increase in the Council of Governments' membership dues from \$28,654 to \$37,252. This dues augmentation was part of a Board approved strategy to increase the SANBAG general assessment by 30% annually in 1999/2000, 2000/2001, and 2001/2002. In April 2002, the SANBAG Board approved an annual increase in the general dues assessment, calculated upon the countywide average percentage of the increase in population and the countywide increase in assessed valuation, utilizing prior year data.

Prior to 1999/2000, the SANBAG dues were \$28,654 and were unchanged since 1978. During that period the dues were actually \$9,546 less than the original dues assessment of \$38,200 established in 1976.

In Fiscal Year 2009/2010, \$28,654 of the general assessment dues has been budgeted in Task No. 10409000, Intergovernmental Relations, as established by the Board of Directors. The remaining amount of dues collected is budgeted in this task. In Fiscal Year 2008/2009 the Board of Directors authorized expenditures in this task to support efforts of the Inland Empire Economic Recovery Corporation to prevent home foreclosures. This effort will continue in Fiscal Year 2009/2010. Funding in this task will also be available to support new Council of Governments activities as approved by the Board.

WORK ELEMENTS:

1. Continue collaborative efforts with Inland Empire Economic Recovery Corporation to provide programs and services to help prevent home foreclosures.

2. Reserve local funds from general assessment dues until such time as expenditures of the funds are approved for activities related to SANBAG's Council of Governments role.

FUNDING

SOURCES:	\$368,138	Local Funds – Carry Over FY 2008/09
		Local Funds – FY 2009/10 Additional Increment of
	<u>\$ 76,588</u>	<u>General Membership Dues</u>
	<u>\$444,726</u>	<u>TOTAL NEW BUDGET</u>
	\$ 0	Total Anticipated Encumbrances on 06/30/09
	\$ 0	Unbudgeted Obligations in Contracts Approved prior to
		FY 2008/2009

MANAGER: Duane Baker

DRAFT

TASK NO. 49010000 Council of Governments New Initiatives
MANAGER: Duane Baker

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Salaries	261	0	11,042
Fringe Allocation	223	0	5,596
Indirect Allocation	480	0	12,147
Contributions/Other Agencies	0	418,229	415,941
Total New Budget	\$0	\$0	\$444,726
Total Actual/Planned Budget	\$964	\$418,229	\$444,726

TASK: 80510000 BUILDING OPERATIONS

OBJECTIVE: To provide the necessary administrative services to actively manage the operations of the historic Santa Fe Depot.

ACCOMPLISHMENTS: Pursuant to the SANBAG Board of Directors action in May 2000, all staff are now consolidated into one building. Since relocating SANBAG's offices in 2004, SANBAG has engaged the services of a property manager to assist in managing and marketing the facility.

DESCRIPTION: SANBAG, as a tenant of the Depot and also as tenants in common with the City of San Bernardino, oversees the day to day operations of the Depot. This task does not incorporate capital improvements that are contained in new Task 80608000, Building Improvements. The fund that tracks this activity is a proprietary fund and is more commonly treated as an internal service fund.

WORK ELEMENTS:

1. Monthly review of property manager's reports and allocated costs to this task as appropriate.
2. Quarterly review of budgets and adjust as necessary.
3. Ongoing review of the property management account.

PRODUCT: Active management related to facility

FUNDING

SOURCES:	\$77,114	Rail Lease Assets
	\$16,200	Southern California Association of Governments Lease Rev.
	<u>\$ 6,000</u>	<u>Amtrak Revenue</u>
	<u>\$99,314</u>	<u>TOTAL NEW BUDGET</u>
	\$ 0	Total Anticipated Encumbrances on 06/30/08
	\$ 0	Unbudgeted Obligations in Contracts Approved Prior to FY 2008/2009

MANAGER: Duane Baker

TASK NO. 80510000 Building Operations
MANAGER: Duane Baker

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Salaries	5,621	125,822	834
Fringe Allocation	0	0	423
Indirect Allocation	0	0	918
Building Operating Expenses	0	0	92,339
Professional Services	3,086	0	4,800
Total New Budget	\$0	\$0	\$99,314
Total Actual/Planned Budget	\$8,707	\$125,822	\$99,314

TASK: 80610000 BUILDING IMPROVEMENTS

OBJECTIVE: To provide the necessary administrative services to actively manage the building improvements to the historic Santa Fe Depot.

ACCOMPLISHMENTS: SANBAG received Federal Grant Funds which have been set aside for the repair and painting of the historic Santa Fe Depot structure. Tenant improvements were completed for the main downstairs lobby in preparation for the coffee vendor.

DESCRIPTION: SANBAG, as a tenant of the Depot and also as tenants in common with the City of San Bernardino, oversees the day to day operations of the Depot. This task incorporates capital issues and the fund that tracks this activity is a proprietary fund and is more commonly treated as an internal service fund.

WORK ELEMENTS:

1. Identify capital improvements for the Santa Fe Depot.
2. Solicit proposals/bids for capital improvements for the Santa Fe Depot.
3. Manage and monitor contractors and budget for capital improvements.

PRODUCT: Capital improvements identified for the Santa Fe Depot for Fiscal Year 2009/2010 will be painting the Depot, repaving and repairing the South and East parking lots and landscape improvements.

FUNDING

SOURCES:	\$112,860	Federal Transit Administration Grant, Section 5309
	<u>\$ 54,981</u>	<u>Rail Lease Assets</u>
	<u>\$167,841</u>	<u>TOTAL NEW BUDGET</u>
	\$380,224	Total Anticipated Encumbrances on 06/30/08
	\$ 0	Unbudgeted Obligations in Contracts Approved Prior to FY 2008/2009

MANAGER: Duane Baker

TASK NO. 80610000 Building Improvements
MANAGER: Duane Baker

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$380,224
Structure & Improvements			380,224
Line Item			
Salaries	0	0	2,084
Fringe Allocation	0	0	1,056
Indirect Allocation	0	0	2,293
Contributions/Other Agencies	9,237	0	5,333
Printing – Miscellaneous	4,421	0	0
Structure & Improvements	0	637,691	157,075
Total New Budget	\$0	\$0	\$167,841
Total Actual/Planned Budget	\$13,658	\$637,691	\$548,065

TASK: 60510000 PUBLICATIONS AND PUBLIC OUTREACH

OBJECTIVE: To develop a comprehensive public communications program to inform member agencies, private partners, and the community at large regarding the broad range of SANBAG programs and methods by which they can provide input into those programs.

ACCOMPLISHMENTS: SANBAG has an on-going program of outreach and communication with the news media and community organizations in San Bernardino County. Through this task, SANBAG has established a cooperative working relationship with key community organizations that provides for public input into SANBAG programs, as well as development of community support for projects at the State and Federal level.

DESCRIPTION: This task provides for SANBAG's active participation with the general public, as well as with public and private sector organizations concerned with improving transportation and economic development throughout San Bernardino County. The program includes periodic publication of SANBAG information notices, development of program brochures, hosting of community meetings for various subregional projects and management of a media information program relative to all SANBAG activities.

Funding for consulting and professional services to perform the Inland Empire Annual Survey, Quarterly Economic Report, and website maintenance is included in this task.

WORK ELEMENTS:

1. Produce public information materials to educate SANBAG's various audiences on SANBAG programs. Materials include periodic SANBAG information bulletins, program related brochures, public broadcast materials and information packages.
2. Produce press releases and conduct on-going program of media relations to insure accurate and timely public information regarding SANBAG programs and projects.
3. Develop and implement special event activities relative to new and ongoing SANBAG programs and gain public input into SANBAG projects and programs.
4. Manage the SANBAG Internet Web Site.
5. Continue the Measure I Awareness Program to report on achievements made possible by the local transportation sales and use tax.
6. Sponsor the Inland Empire Survey.
7. Participate with various public and private organizations concerned with improving transportation and economic development within the County, including Inland Action, Morongo Basin Economic Development Consortium, Inland Empire Economic Partnership, Transportation California, the Inland Empire Transportation Coalition, and others.

8. Produce and distribute Quarterly Economic Reports to local government, private sector organizations, and the public.

PRODUCT: SANBAG information notices, press releases, specialized brochures, Inland Empire Annual Survey, Quarterly Economic Reports, and transportation related research, special events and media outreach efforts in support of overall SANBAG activities.

FUNDING

SOURCES:	\$492,577	Measure I Valley Administration Fund
	<u>\$ 1,682</u>	<u>Measure I Mountain/Desert Administration Fund</u>
	<u>\$494,259</u>	<u>TOTAL NEW BUDGET</u>
	\$ 0	Total Anticipated Encumbrances on 06/30/08
	\$ 0	Unbudgeted Obligations in Contracts Approved Prior to FY 2008/2009

MANAGER: Deborah Robinson Barmack

TASK NO. 60510000 Publications and Public Outreach
MANAGER: Deborah Robinson Barmack

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Salaries	95,072	125,485	134,933
Fringe Allocation	80,984	72,606	68,384
Indirect Allocation	174,623	171,903	148,442
SANBAG Vehicle	53	500	500
Consulting Fees	10,703	37,500	37,500
Maintenance of Equipment	473	1,500	1,500
Meeting Expense	-116	4,000	4,000
Mileage Reimb/Nonemployee	60	0	0
Mileage Reimb/SANBAG Only	543	1,000	1,000
Office Expense	947	500	500
Postage	3,552	3,000	3,000
Printing – Internal Only	277	0	500
Printing – Miscellaneous	5,869	3,000	2,500
Professional Services	33,346	35,000	35,000
Public Information Activities	28,893	10,500	10,500
Subscriptions	924	1,500	1,500
Training/Membership	10,895	44,500	44,500
Total New Budget	\$0	\$0	\$ 494,259
Total Actual/Planned Budget	\$447,586	\$512,494	\$494,259

TASK: 50110000 FEDERAL TRANSIT ACT PROGRAMMING

OBJECTIVE: Ensure timely and effective use of Federal Transit Administration (FTA) funding apportioned to San Bernardino County and seek additional funding from federal transit discretionary funds to support and improve transit operating and capital investments.

ACCOMPLISHMENTS: Annual validation of formulas for annually allocating FTA Sections 5307 (urban formula bus and rail), 5309 (urban rail), 5316 (Job Access – Reverse Commute) and 5317 (New Freedom Initiatives) funds apportioned to the Los Angeles/Long Beach, San Bernardino/Riverside, and Victorville/Hesperia/Apple Valley Urbanized Areas (UZA's) to counties. Evaluated, recommended and programmed projects for receipt of FTA Sections 5310 (Special Needs for Elderly Individuals and Individuals with Disabilities) and 5311(f) (Rural Intercity Bus) funding. Annually determine the distribution of FTA Section 5311 (rural formula bus) to eligible rural transit operators. Conducted a call for projects for FTA Sections 5316 and 5317 funds apportioned to the Los Angeles/Long Beach/Santa Ana, Riverside/San Bernardino and Victorville/Hesperia/Apple Valley UZAs and obtained approval of project funding. SANBAG staff has participated in advising the State in its administration of the FTA Sections 5310 and 5311(f) grant programs. SANBAG has also coordinated and supported requests for discretionary FTA funding from various transit operators.

The Board has adopted a policy that the determination of CMAQ awards for transit projects would be based upon the biennial multi-year plans (SRTP) prepared by the eligible operators. Transit CMAQ awards for Fiscal Year 2009/2010 will require the filing of grants to the FTA.

DESCRIPTION: This project includes determining the distribution of Federal Transit Administration (FTA) Sections 5307, 5309, 5310, 5311, 5311(f), 5316 and 5317 funds as well as CMAQ funds committed to transit projects. It includes coordinating requests from the transit operators for additional discretionary funding. The task also includes contracting for Federal Single Audits of the small urban and rural operators.

WORK ELEMENTS:

1. Prepare annual Section 5311 Program of Projects (POP).
2. Provide assistance in preparing Section 5311 grant applications.
3. Monitor Congressional appropriation of FTA funds and FTA regulation promulgation.
4. Provide assistance to Omnitrans in preparation of Section 5307 POP and grant application.

5. Provide assistance to Victor Valley Transit Service Authority in preparing Section 5307 POP and grant application.
6. Provide assistance to transit operators in preparing CMAQ grant applications.
7. Provide concurrence with the use of Section 5307 and/or 5309 apportioned to the San Bernardino Valley by the Southern California Regional Rail Authority.
8. Conduct a call for projects for available Section 5316 and 5317 funds in the San Bernardino and Victor Valleys
9. Maintain Federal Sections 5307, 5309, 5311, 5316 and 5317 formula grant monitoring system to ensure timely commitment of funds.
10. Participate in review and prioritization of FTA Sections 5310 and 5311(f) applications and prepare recommendation for Board support.
11. Support operators' requests for discretionary capital funds.
12. Participate on the State 5311(f) program improvement committee.

PRODUCT: Programming of Federal Transit Act funding for eligible transit operator projects.

FUNDING

SOURCES: \$ 83,299 Local Transportation Fund - Planning

\$ 83,299 TOTAL NEW BUDGET

\$	0	Total Anticipated Encumbrances as of 06/30/08
\$	0	Unbudgeted Obligations in Contracts Approved Prior to FY 2008/2009

MANAGER: Michael Bair

TASK NO. 50110000 Federal Transit Act Programming
MANAGER: Michael Bair

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Salaries	21,490	23,686	23,617
Fringe Allocation	18,306	13,705	12,121
Indirect Allocation	39,472	32,448	26,311
Auditing	28,800	110,350	20,000
Meeting Expense	155	0	75
Mileage Reimb/SANBAG Only	203	100	125
Postage	12	25	50
Printing – Internal Only	0	50	50
Training/Membership	0	0	0
Travel – Air	0	450	450
Travel - Other	669	200	200
Total New Budget	\$0	\$0	\$83,299
Total Actual/Planned Budget	\$109,107	\$181,014	\$83,299

TASK: 50210000 TDA ADMINISTRATION

OBJECTIVE: To ensure timely and effective use of Local Transportation Funds (LTF) and State Transit Assistance Funds made available by the Transportation Development Act (TDA). Ensure all requirements are met by SANBAG and the recipients of TDA funds.

ACCOMPLISHMENTS: The Board adopts the definition of “Unmet Needs” and “Reasonable to Meet” each July when it sets the dates for conducting the unmet transit needs public hearings. In March the Board adopted the formal findings from the September hearings. During Fiscal Year 2008/2009 SANBAG issued the biennial call for projects for nearly \$3.2 million in LTF for bicycle/pedestrian and bus stop access improvement projects. The TDA required triennial performance audit of the six transit operators/claimants and the commission will be completed during the Fiscal Year 2008/2009. In February 2008 the Board approved an apportionment of LTF for Fiscal Year 2009/2010 in the amount of \$65 million. These funds will be made available for transportation planning, fund administration, pedestrian and bicycle, transit and street improvements. The LTF apportionment reflects a continuing decline in sales tax receipts due to the declining economy. The State Transit Assistance Funds (STAF) allocation from the State has been cut in half for FY 2008/2009 and reduced to zero for the Fiscal Year 2009/2010 and will remain at zero until Fiscal Year 2012/2013. Any STAF fund balances from Fiscal Year 2008/2009 will be made available to San Bernardino County for transit capital projects during Fiscal Year 2009/2010.

DESCRIPTION: Administration of the funds made available by the Transportation Development Act - LTF and STAF, including contracting for fiscal and compliance audits of all claimants except Omnitrans. Conduct annual Unmet Transit Needs public hearings within the Mountain/Desert Region of the County and develop formal findings to the testimony received. Continue participation on the State TDA Advisory Committee. This task will also include an award of a contract for the updating of the SANBAG TDA Fund Application Manual.

WORK ELEMENTS:

1. For Fiscal Year ending June 30, 2009, prepare State Controller report of LTF and STAF, coordinate with SANBAG auditor for audit of LTF and STAF funds and monitor contract auditor work and final product for TDA claimants.
2. Provide assistance in preparation of TDA claims and claim amendments.
3. Obtain SANBAG Board approval of LTF and STAF Allocation Resolution.
4. Maintain TDA monitoring systems which includes for: 1) the LTF: a monthly tracking of Board of Equalization (BOE) receipts versus estimates; prepare allocation and disbursement instructions; monitor quarterly interest earnings and monthly cash balances, determine status of transit capital allocations, bicycle/pedestrian awards and bus stop

access improvement set aside funds, unpaid allocations and unallocated apportionments and 2) the STAF: a monthly tracking of allocations and disbursements, interest earnings, cash balances.

5. Forward all approved allocations to Auditor/Controller with copy to appropriate claimant and issue disbursement instructions to the County Auditor/Controller.

6. Schedule, mail and publish notices for annual TDA unmet transit needs public hearings (a minimum of three hearings will be held in the Mountain/Desert Region). Obtain court recorder services for public hearings. Prepare summary of testimony received, recommended staff response and formal findings for review by Public and Specialized Transportation Advisory and Coordinating Council (PASTACC) and the hearing boards. Obtain Board adoption of formal findings.

7. Prepare a revised LTF estimate and apportionments for Fiscal Year 2009/2010 if needed and prepare the LTF estimate and apportionments for Fiscal Year 2010/2011 for Board approval.

8. Coordinate with contract auditor the conducting of fiscal and compliance audit of all claimants receiving TDA funds during Fiscal Year 2008/2009. Review all draft audits for accuracy.

9. Attend and participate in Statewide TDA Advisory Committee meetings.

10. Prepare and issue a Request for Proposal for the SANBAG TDA Fund Application Manual contract. Obtain Board approval to award contract for update of the TDA Fund Manual

PRODUCT: Fulfill statutory responsibility to allocate and disburse TDA funds.

FUNDING

SOURCES: \$425,000 Local Transportation Fund - Administration

\$425,000 TOTAL NEW BUDGET

\$ 0 Total Anticipated Encumbrances as of 06/30/08

\$ 0 Unbudgeted Obligations in Contracts Approved Prior to
FY 2009/2010

MANAGER: Michael Bair

TASK NO. 50210000 TDA Administration
MANAGER: Michael Bair

BUDGET COMPARISON
2009/2010 Proposed Budget

	2008/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Salaries	36,280	58,833	72,434
Fringe Allocation	30,904	34,041	36,710
Indirect Allocation	66,637	80,596	79,686
Auditing	94,633	291,795	150,000
Consulting Fees	0	137,550	0
Meeting Expense	0	50	0
Mileage Reimb/SANBAG Only	172	200	250
Postage	353	50	500
Printing – Internal Only	72	100	500
Printing – Miscellaneous	1,371	0	0
Professional Services	1,656	500	83,370
Travel – Air	0	1,200	1,200
Travel – Other	35	350	350
Total New Budget	\$0	\$0	\$425,000
Total Actual/Planned Budget	\$232,113	\$605,265	\$425,000

TASK: 50610000 LOCAL TRANSPORTATION FUND

OBJECTIVE: To serve as a depository for San Bernardino County Local Transportation Fund (LTF) prior to allocation and distribution transit agencies and local jurisdictions.

ACCOMPLISHMENTS: As the administrator of the Local Transportation Fund (LTF), SANBAG has annually distributed the funds based on the Board of Director's adopted apportionment and/or revised apportionment and in accordance with the Transportation Development Act (TDA) Statutes and the California Code of Regulations

DESCRIPTION: The Transportation Development Act (TDA), also known as the Mills-Alquist Deddeh Act, authorized the creation of the LTF for transportation purposes. LTF revenues are derived from ¼ cent of the 7.75-cent retail sales tax collected within San Bernardino County. The State Board of Equalization returns the 1/4-cent to the County according to the amount of tax collected. LTF is allocated in a specific priority order, 1) Administration Allocations, sums as are necessary for SANBAG and the County Auditor/Controller to administer the Fund, 2) Planning and Programming Allocations, up to three percent (3%) of the annual revenues for SANBAG and a proportionate share of \$1.0 million to SCAG, 3) Pedestrian and Bicycle Allocations, two percent (2%) of the remaining annual revenues, 4) Rail Passenger Service up to area of apportionment, 5) Community Transit Service Allocation up to five percent (5%) of the annual revenue, 6) Public Transportation Allocations up to area of apportionment, 7) Miscellaneous Transportation Allocations, including contract transit service, street and road projects and projects which are provided for use by pedestrian and bicycles in the Mountain/Desert Region up to area of apportionment. Pursuant to California Code of Regulations Section 6644, prior to March 1st the Commission shall determine and advise all prospective claimants of the amounts of all area apportionments from the fund. In February 2009 the Board approved an apportionment of \$65 million for Fiscal Year 2009/2010.

WORK ELEMENTS:

1. This task contains the actual pass-through funds and does not include any budget for SANBAG tasks funded by LTF Administration, Programming and Planning or Rail. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$54,367,165 Local Transportation Fund Pass-Through

\$54,367,165 TOTAL NEW BUDGET

\$25,932,076 Total Anticipated Encumbrances on 06/30/09

\$ 0 Unbudgeted Obligations in Contracts Approved Prior to
FY 2008/2009

MANAGER: Michael Bair

TASK NO. 50610000 Local Transportation Fund
MANAGER: Michael Bair

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$25,932,076
Contributions/Other Agencies			
Line Item			
Contributions/Other Agencies	81,919,082	65,533,332	54,367,165
Total New Budget	\$0	\$0	\$54,367,165
Total Actual/Planned Budget	\$81,919,082	\$65,533,332	\$80,299,241

TASK: 50710000 STATE TRANSIT ASSISTANCE FUND

DRAFT

OBJECTIVE: To serve as the depository for the San Bernardino County State Transit Assistance Fund (STAF) prior to allocation and distribution funds to transit agencies and operators.

ACCOMPLISHMENTS: As the administrator of the State Transit Assistance Fund (STAF), SANBAG has annually allocated funds to transit agencies and operators for capital projects based on the Board approved Short Range Transit Plans (SRTP) and Budgets or amendments thereto from each operator and to SANBAG for rail capital projects in accordance with the Transportation Development Act (TDA) Statutes and the California Code of Regulations

DESCRIPTION: The State Transit Assistance Fund (STAF) was created under Chapter 161 of the Statutes of 1979 (SB 620) and provides a second source of TDA funding for transportation planning and mass transportation specified by the Legislature. Funds are derived from the statewide sales tax on gasoline and diesel fuel. The money is appropriated to the State Controller by the legislature. Pursuant to Public Utility Code (PUC) Section 99313 50% of the Statewide STAF is allocated to SANBAG based on the ratio of the population of the area under its jurisdiction to the total population of the State. Pursuant to PUC Section 99314 the other 50% is allocated to each of the eligible transit operators, and to SANBAG as a member agency to Southern California Regional Rail Authority (SCRRA) based on the ratio of total fare and local support revenue of all the operators during the prior fiscal year to the total fare and local support revenue of all the operators in the State. STAF funds must be disburse by a resolution adopted by the SANBAG Board and may not be allocated to fund administration or street and road projects. The STAF allocation to SANBAG and the eligible transit operators from the State has been reduced to zero for the Fiscal Year 2009/2010. The amount shown as New Budget Pass Through is based on un-used Operator Allocation from Fiscal Year 2008/2009.

WORK ELEMENTS:

1. This task contains the actual pass-through funds and does not include any budget for SANBAG tasks funded by STAF Rail. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$ 551,277 State Transit Assistance Fund Pass-Through

\$ 551,277 TOTAL NEW BUDGET

 \$25,099,734 Total Anticipated Encumbrances on 06/30/08

 \$ 0 Unbudgeted Obligations in Contracts Approved Prior to
 FY 2008/2009

MANAGER: Michael Bair

TASK NO. 50710000 STATE TRANSIT ASSISTANCE FUND
MANAGER: Michael Bair

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/08	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$25,099,734
Contributions/Other Agencies			
Line Item			
Contributions/Other Agencies	22,525,000	2,660,805	551,277
Total New Budget	\$0	\$0	\$551,277
Total Actual/Planned Budget	\$22,525,000	\$2,660,805	\$25,651,011

DRAFT

TASK: 51310000 MEASURE I VALLEY ELDERLY & DISABLED

OBJECTIVE: To ensure the efficient and effective use of Valley Measure I Elderly & Disabled (E&D) funds.

ACCOMPLISHMENTS: Provide fare subsidies for elderly individuals and individuals with disabilities and operating assistance for the Americans with Disabilities Act complementary paratransit primarily in the Omnitrans service area. SANBAG has sponsored up to five scholarships to Valley public and social service transportation agencies to attend the Transit & Paratransit Management Certificate Program conducted by the University of the Pacific twice a year. SANBAG has also contracted with an entity to provide ADA passenger education and complaint mediation.

DESCRIPTION: This project involves the disbursement of Measure I - E&D funding within the Valley. Omnitrans includes this funding source for fare subsidies for seniors and persons with disabilities using transit service and for a direct service subsidy for the operation of the ADA complementary paratransit service. The task also includes the provision of up to five scholarships for the University of the Pacific Transit and Paratransit Management Certificate Program session.

WORK ELEMENTS:

1. Process payment requests to Omnitrans.
3. Approve up to five scholarship applications for each University of the Pacific Transit and Paratransit Management Certificate Program session.

PRODUCT: Distribution of Valley Elderly & Disabled money. Quarterly reports of contractor activity.

FUNDING

SOURCES: \$6,025,000 Measure I Valley Elderly & Disabled Fund

\$6,025,000 TOTAL NEW BUDGET

\$ 124,281 Total Anticipated Encumbrances on 06/30/09

\$ 0 Unbudgeted Obligations in Contracts Approved Prior to
FY 2008/2009

MANAGER: Michael Bair

TASK NO. 51310000 Measure I Valley Elderly & Disabled
MANAGER: Michael Bair

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$124,281
Contributions/Other Agencies			124,281
Line Item			
Contributions/Other Agencies	7,051,382	7,575,564	6,025,000
Professional Services	3,369	5,000	0
Total New Budget	\$0	\$0	\$6,025,000
Total Actual/Planned Budget	\$7,054,751	\$7,580,564	\$6,149,281

TASK: 50410000 MEASURE I ADMINISTRATION - VALLEY

OBJECTIVE: To administer the Valley Cities' Local Pass-Through Funds including: 1) the distribution of funds; 2) processing the checks; 3) updating population and tax collection information; and 4) annual performance audits.

ACCOMPLISHMENTS: SANBAG has successfully administered the Measure I Program since its inception in 1989. This program is scheduled to end March 31, 2010, with the new Measure I Program beginning on April 1, 2010 for a period of 30 years.

DESCRIPTION: Conduct the administrative functions necessary to carry out the Valley Measure I Program as authorized by Public Utilities Code Section 180105 and Ordinance 89-01 of the San Bernardino County Transportation Authority, including distribution of Measure I revenue among the various program categories, audit of financial transactions, and technical assistance to local representatives in developing capital improvement programs. In 2004, San Bernardino County voters approved the continuation of Measure I. This .5% transactions and use tax for transportation purposes is scheduled to remain in effect until March 31, 2040. This task contains funding for independent auditors to audit recipients of Valley Measure I Local Pass-Through Funds.

WORK ELEMENTS:

1. Monthly, after receipt of Board of Equalization (BOE) payment, run the Measure I distribution program.
2. Monthly, produce checks, making necessary adjustments to distribution program amounts due to Debt Service funds held by The Bank of New York Trust Company and overpayments/underpayments due to population or sales tax collection updates.
3. Annually, make population estimate adjustments to the distribution programs based on information received from the Department of Finance.
4. Annually, contract with an audit firm to conduct financial and compliance audits of cities and the County.
5. Annually, review findings of audit firm prior to finalizing audit reports.
6. Annually, pay audit firm for services.
7. Prepare guidance on adoption of the Five Year Capital Improvement Programs and Twenty Year Transportation Plan, with financial forecasts.
8. Compile and maintain the Five Year Capital Improvement Programs and Twenty Year Transportation Plans for expenditure of Measure I funds.
9. Maintain contact and relationship with Board of Equalization to perform functions incident to the administration and operation of the tax collection program.
10. Develop and refine policies specific to Measure I Program.

PRODUCT: Monthly distribution checks and annual audit reports.

FUNDING

SOURCES: \$136,661 Measure I Valley Administration Fund

\$136,661 TOTAL NEW BUDGET

\$120,000 Total Anticipated Encumbrances on 06/30/09
\$ 0 Unbudgeted Obligations in Contracts Approved Prior to
FY 2009/2010

MANAGER: William Stawarski

TASK NO. 50410000 Measure I Administration - Valley
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$120,000
Line Item			
Salaries	6,346	23,073	20,116
Extra Help	285	0	0
Fringe Allocation	5,405	13,350	10,195
Indirect Allocation	11,938	31,608	22,130
Auditing	26,370	180,556	25,000
Commissioners Fees	21,500	23,000	23,000
Meeting Expense	0	0	0
Mileage Reimb/SANBAG Only	0	0	0
Office Expense	0	500	100
Postage	144	500	100
Printing – Internal Only	1	0	20
Professional Services	363	50,000	34,000
Travel - Other	0	0	2,000
Total New Budget	\$0	\$0	\$136,661
Total Actual/Planned Budget	\$72,352	\$322,587	\$256,661

DRAFT

TASK: 90710000 DEBT SERVICE - BIG BEAR/92 ISSUE

OBJECTIVE: To account for the Measure I Sales Tax funds withheld by the Bond Trustee, The Bank of New York Trust Company, N.A., for the City of Big Bear Lake's portion of the Debt Service on the 1992 Sales Tax Revenue Bonds.

ACCOMPLISHMENTS: SANBAG has successfully monitored the activities of the trustee who has been withholding funds for Debt Service and who has been investing funds on behalf of SANBAG. This activity relates specifically to the issuance of the 1992 Sales Tax Revenue Bonds.

DESCRIPTION: Debt Service for the City of Big Bear Lake's portion of the \$110,000,000 Sales Tax Revenue Bonds, 1992 Series A. The 1992 bond proceeds were used for streetscape and under grounding on State Route 18.

WORK ELEMENTS:

1. This task contains the actual collection of debt service funds and does not include any budget for the cost of administration. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES:	<u>\$108,212</u>	<u>City of Big Bear Lake Measure I Arterial Funds</u>
	<u>\$108,212</u>	<u>TOTAL NEW BUDGET</u>
	\$ 0	Total Anticipated Encumbrances on 06/30/09
	\$ 0	Unbudgeted Obligations in Contracts Approved Prior to FY 2009/2010

MANAGER: William Stawarski

TASK NO. 90710000 Debt Service - Big Bear/92 Issue
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/08	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Debt Service Expense	0	108,183	108,212
Interest Payable – Bonds	17,989	0	0
Principal Payable – Bonds	90,146	0	0
Total New Budget	\$0	\$0	\$108,212
Total Actual/Planned Budget	\$108,135	\$108,183	\$108,212

DRAFT

TASK: 90810000 - DEBT SERVICE - MT./UNINCORPORATED/92 ISSUE

OBJECTIVE: To account for the Measure I Sales Tax funds withheld by the Bond Trustee, The Bank of New York Trust Company, N.A., for the County of San Bernardino's portion of the Debt Service on the 1992 Sales Tax Revenue Bonds.

ACCOMPLISHMENTS: SANBAG has successfully monitored the activities of the trustee who has been withholding funds for Debt Service and who has been investing funds on behalf of SANBAG. This activity relates specifically to the issuance of the 1992 Sales Tax Revenue Bonds.

DESCRIPTION: Debt Service for the County of San Bernardino's portion of the \$110,000,000 Sales Tax Revenue Bonds, 1992 Series A. The 1992 bond proceeds were used for streetscape and under grounding on State Route 18.

WORK ELEMENTS:

1. **Monthly -** This task contains the actual collection of debt service funds and does not include any budget for the cost of administration. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES:

\$ 45,965

**County of San Bernardino Mountain Subarea
Measure I San Bernardino County Arterial Fund**

\$ 45,965

TOTAL NEW BUDGET

\$ 0

Total Anticipated Encumbrances on 06/30/09

\$ 0

**Unbudgeted Obligations in Contracts Approved Prior to
FY 2009/2010**

MANAGER: William Stawarski

TASK NO. 90810000 Debt Service – Mt./Unincorporated/92 Issue
MANAGER: William Stawaski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Debt Service Expense	0	45,926	45,965
Interest Payable – Bonds	7,641	0	0
Principal Payable – Bonds	38,290	0	0
Total New Budget	\$0	\$0	\$45,965
Total Actual/Planned Budget	\$45,931	\$45,926	\$45,965

DRAFT

TASK: 9180000 VALLEY MEASURE I LOCAL

OBJECTIVE: To serve as a depository for Measure I Local Pass-Through Funds prior to distribution to local jurisdictions.

ACCOMPLISHMENTS: As administrators of all Measure I funds, SANBAG has annually distributed Measure I funds based on the formula specified in the Ordinance to fifteen (15) cities in the valley and the County of San Bernardino.

DESCRIPTION: Measure I provides that a portion of the proceeds from the half cent transactions and use tax collected in the Valley portion of San Bernardino County be distributed among the cities and the County based on the ratio of each jurisdiction's population to the total Valley population. SANBAG annually adjusts the allocation formula January 1 of each year to reflect population changes as prepared by State Department of Finance. In 2004, San Bernardino County voters approved the continuation of Measure I. This .5% transactions and use tax for transportation purposes is scheduled to remain in effect until March 31, 2040.

WORK ELEMENTS:

1. This task contains the actual pass-through funds and does not include any budget for administrative costs. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$18,071,134 Measure I Valley Local Pass-Through Fund

\$18,071,134 TOTAL NEW BUDGET

\$	0	Total Anticipated Encumbrances on 06/30/09
\$	0	Unbudgeted Obligations in Contracts Approved Prior to FY 2009/2010

MANAGER: William Stawarski

TASK NO. 9180000 Valley Measure I Local
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Distribution to Cities	22,173,933	19,139,679	18,071,134
Total New Budget	\$0	0	0
Total Actual/Planned Budget	\$22,173,933	\$19,139,679	\$18,071,134

TASK: 9180100 MOUNTAIN/DESERT MEASURE I LOCAL

OBJECTIVE: To serve as a depository for Measure I Local Pass-Through Funds prior to distribution to local jurisdictions in the Mountain/Desert sub-region.

ACCOMPLISHMENTS: As administrators of all Measure I funds, SANBAG has annually distributed Measure I funds based on the formula specified in the Ordinance to fifteen (9) cities in the mountain/desert area and the County of San Bernardino.

DESCRIPTION: Measure I provides that all of the proceeds from the half cent transactions and use tax collected in the Mountain/Desert Subareas of San Bernardino County be distributed among the cities and the County, minus State Board of Equalization charges and 1% SANBAG withholding for administration of the program. Currently, the funds are distributed in accordance with a formula based 50% on population and 50% on point of generation. SANBAG annually adjusts the allocation formula to reflect changes in population forecasts January 1 of each year as determined by the State Department of Finance and SANBAG quarterly adjusts the point of generation data based on actual collections. In 2004, San Bernardino County voters approved the continuation of Measure I. This .5% transactions and use tax for transportation purposes is scheduled to remain in effect until March 31, 2040.

WORK ELEMENTS:

1. This task contains the actual pass-through funds and does not budget for any cost of administration. This task is for accounting purpose only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$18,831,263 Measure I Mountain/Desert Local Pass-Through Fund

\$18,831,263 TOTAL NEW BUDGET

\$	0	Total Anticipated Encumbrances on 06/30/09
\$	0	Unbudgeted Obligations in Contracts Approved Prior to FY 2009/2010

MANAGER: William Stawarski

TASK NO. 9180100 Mountain/Desert Measure I Local
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Distribution to Cities	23,582,907	20,411,241	18,831,263
Total New Budget	\$0	\$0	
Total Actual/Planned Budget	\$23,582,907	\$20,411,241	\$18,831,263

TASK: 93110000 DEBT SERVICE - MAJOR/97 ISSUE

DRAFT

OBJECTIVE: To account for the Measure I Sales Tax funds withheld by the Bond Trustee, The Bank of New York Trust Company, N.A., for the Major Projects' portion of the Debt Service on the 1997 Sales Tax Revenue Bonds.

ACCOMPLISHMENTS: SANBAG has successfully monitored the activities of the trustee who has been withholding funds for Debt Service and who has been investing funds on behalf of SANBAG. This activity relates specifically to the issuance of the 1997 Sales Tax Revenue Bonds.

DESCRIPTION: Debt Service for the Major Projects' portion of the October 30, 1997, \$65,000,000 Sales Tax Revenue Bonds, 1997 Series A. The proceeds were used to fund capital projects as outlined in the strategic plan.

WORK ELEMENTS:

1. This task contains the actual collection of debt service funds and does not include any budget for the cost of administration. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$ 10,524,206 Measure I Valley Major Projects Fund

\$ 10,524,206 TOTAL NEW BUDGET

\$	0	Total Anticipated Encumbrances on 06/30/09
\$	0	Unbudgeted Obligations in Contracts Approved Prior to FY 2009/2010

MANAGER: William Stawarski

TASK NO. 93110000 Debt Service – Major/97 Issue
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Debt Service Expense	0	10,529,169	10,524,206
Interest Payable – Bonds	1,444,169	0	0
Principal Payable – Bonds	9,085,000	0	0
Total New Budget	\$0	\$0	\$10,524,206
Total Actual/Planned Budget	\$10,529,169	\$10,529,169	\$10,524,206

DRAFT

TASK: 94210000 FINANCIAL MANAGEMENT

OBJECTIVE: To provide the necessary administrative services to actively manage SANBAG's Financial Management Program.

ACCOMPLISHMENTS: SANBAG has successfully managed all activities related to bond issuance, debt service, investments and cash flow requirements. This activity has been conducted since the inception of the Measure I Program.

DESCRIPTION: Conduct all administrative functions necessary to carry out the management of the Financial Management Program. Expenditures incurred for this function were originally charged against the issue to which it related. SANBAG has consolidated the fees to better manage all administrative expenditures related to this program. This task provides for two consulting services contracts to provide financial and investment advisory services related to revenue forecasting, cash management, investments, bond issuance, cash flow schedules and debt management.

WORK ELEMENTS:

1. Financial advisory services will include continuing review of strategic plan and cash flows, taking into account.
 - a. The short and long-term needs of SANBAG.
 - b. Financing options and alternative debt structures.
 - c. Financing timetables.
 - d. Revenue forecasts.
2. Investment advisory services will include the following:
 - a. Advice on portfolio performance.
 - b. Advice on current investment strategies, cash management and cash flow projections.
 - c. Monthly preparation of investment report and review.
3. Utilize the services of an independent consultant to perform a review of all of SANBAG's investment policies, practices, procedures and portfolio status. Written observations and recommendations regarding the adequacy of investment controls will be presented to the Administrative Committee upon completion of the review.
4. As necessary, review financing timetables and structure new money bond issue including rating agency presentations and official statements.

PRODUCT: This activity pursues a conservative Debt Service Management strategy.

FUNDING

SOURCES:	\$360,498	Measure I Valley Administration Fund
	<u>\$ 8,000</u>	<u>Measure I Mountain/Desert Administration Fund</u>
	<u>\$368,498</u>	<u>TOTAL NEW BUDGET</u>
	\$328,000	Total Anticipated Encumbrances on 06/30/09
	\$ 0	Unbudgeted Obligations in Contracts Approved Prior to
		FY 2009/2010

MANAGER: William Stawarski

TASK NO. 94210000 Financial Management
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$328,000
Professional Services			
Line Item			
Salaries	8,333	43,904	45,417
Fringe Allocation	7,098	25,403	23,017
Indirect Allocation	15,306	60,145	49,964
Consulting Fees	-2,300	20,000	0
Contributions/Other Agencies	0	0	0
Cost of Issuance – Bond	15,121	132,000	20,000
Meeting Expense	0	0	0
Miscellaneous Expense	0	0	20,000
Office Expense	0	500	0
Postage	18	100	0
Printing – Internal Only	57	0	100
Professional Services	206,650	404,262	210,000
Total New Budget	\$0	\$0	\$368,498
Total Actual/Planned Budget	\$250,283	\$686,314	\$696,498

TASK: 94410000 DEBT SERVICE - MAJOR/96 ISSUE

D R A F T

OBJECTIVE: To account for the Measure I Sales Tax funds withheld by the Bond Trustee, The Bank of New York Trust Company, N.A., for the Major Projects' portion of the Debt Service on the 1996 Sales Tax Revenue Bonds.

ACCOMPLISHMENTS: SANBAG has successfully monitored the activities of the trustee who has been withholding funds for Debt Service and who has been investing funds on behalf of SANBAG. This activity relates specifically to the issuance of the 1996 Sales Tax Revenue Bonds.

DESCRIPTION: Debt Service for the Major Projects' portion of the November 27, 1996, \$60,935,000 Sales Tax Revenue Bonds, 1996 Series A.

WORK ELEMENTS:

1. This task contains the actual collection of debt service funds and does not include any budget for the cost of administration. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$ 6,566,250 Measure I Valley Major Projects Fund

\$ 6,566,250 TOTAL NEW BUDGET

\$ 0 Total Anticipated Encumbrances on 06/30/09

\$ 0 Unbudgeted Obligations in Contracts Approved Prior to
FY 2009/2010

MANAGER: William Stawarski

TASK NO. 94410000 Debt Service – Major/96 Issue
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Debt Service Expense	0	6,561,563	6,566,250
Interest Payable – Bonds	941,867	0	0
Principal Payable – Bonds	4,716,354	0	0
Total New Budget	\$0	\$0	\$6,566,250
Total Actual/Planned Budget	\$5,658,221	\$6,561,563	\$6,566,250

DRAFT

TASK: 94610000 DEBT SERVICE - BARSTOW/96 ISSUE

OBJECTIVE: To account for the Measure I Sales Tax funds withheld by the Bond Trustee, The Bank of New York Trust Company, N.A., for the City of Barstow's portion of the Debt Service on the 1996 Sales Tax Revenue Bonds.

ACCOMPLISHMENTS: SANBAG has successfully monitored the activities of the trustee who has been withholding funds for Debt Service and who has been investing funds on behalf of SANBAG. This activity relates specifically to the issuance of the 1996 Sales Tax Revenue Bonds.

DESCRIPTION: Debt Service for the City of Barstow's portion of the November 27, 1996, \$60,035,000 Sales Tax Revenue Bonds, 1996 Series A. The proceeds were used for construction of the Lenwood Interchange.

WORK ELEMENTS:

1. This task contains the actual collection of Debt Service funds and does not include any budget for the cost of administration. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$ 742,120 City of Barstow Measure I Arterial Fund

\$ 742,120 TOTAL NEW BUDGET

\$ 0 Total Anticipated Encumbrances on 06/30/09

\$ 0 Unbudgeted Obligations in Contracts Approved Prior to
FY 2009/2010

MANAGER: William Stawarski

TASK NO. 94610000 Debt Service – Barstow/96 Issue
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Debt Service Expense	0	744,000	742,120
Interest Payable – Bonds	124,066	0	0
Principal Payable – Bonds	625,211	0	0
Total New Budget	\$0	\$0	\$742,120
Total Actual/Planned Budget	\$749,277	\$744,000	\$742,120

DRAFT

TASK: 94810000 DEBT SERVICE - MAJOR/01 ISSUE A

OBJECTIVE: To account for the Measure I Sales Tax funds withheld by the Bond Trustee, The Bank of New York Trust Company, N.A., for the Major Projects' portion of the Debt Service on the 2001 Series A Sales Tax Revenue Bonds.

ACCOMPLISHMENTS: SANBAG has successfully monitored the activities of the trustee who has been withholding funds for Debt Service and who has been investing funds on behalf of SANBAG. This activity relates specifically to the issuance of the 2001 Sales Tax Revenue Bonds.

DESCRIPTION: Debt Service for the Major Projects' portion of the January 21, 2001 \$85,000,000 Sales Tax Revenue Bonds, 2001 Series A. The proceeds were used to fund capital projects as outlined in the strategic plan.

WORK ELEMENTS:

1. This task contains the actual collection of debt service funds and does not include any budget for the cost of administration. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$ 11,665,500 Measure I Valley Major Projects Fund

\$ 11,665,500 TOTAL NEW BUDGET

\$	0	Total Anticipated Encumbrances on 06/30/09
\$	0	Unbudgeted Obligations in Contracts Approved Prior to FY 2009/2010

MANAGER: William Stawarski

TASK NO. 94810000 Debt Service – Major/01 Issue A
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Debt Service Expense	0	11,659,063	11,665,500
Interest Payable - Bonds	1,464,063	0	0
Principal Payable – Bonds	10,195,000	0	0
Total New Budget	\$0	\$0	\$11,665,500
Total Actual/Planned Budget	\$11,659,063	\$11,659,063	\$11,665,500

DRAFT

TASK: 94910000 DEBT SERVICE - MAJOR/01 ISSUE B

OBJECTIVE: To account for the Measure I Sales Tax funds withheld by the Bond Trustee, The Bank of New York Trust Company, N.A., for the Major Projects' portion of the Debt Service on the 2001 Series B Sales Tax Revenue Bonds.

ACCOMPLISHMENTS: SANBAG has successfully monitored the activities of the trustee who has been withholding funds for Debt Service and who has been investing funds on behalf of SANBAG. This activity relates specifically to the issuance of the 2001 B Sales Tax Revenue Bonds.

DESCRIPTION: Debt Service for the Major Projects' portion of the April 10, 2001 \$47,020,000 Sales Tax Revenue Bonds, 2001 Series B. The proceeds were used to fund a partial defeasance of the Sales Tax Revenue Bonds, 1993 Series A.

WORK ELEMENTS:

1. This task contains the actual collection of debt service funds and does not include any budget for the cost of administration. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$10,457,200 Measure I Valley Major Projects Fund

\$10,457,200 TOTAL NEW BUDGET

\$	0	Total Anticipated Encumbrances on 06/30/09
\$	0	Unbudgeted Obligations in Contracts Approved Prior to FY 2009/2010

MANAGER: William Stawarski

TASK NO. 94910000 Debt Service – Major/01 Issue B
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Debt Service Expense	0	10,271,800	10,457,200
Interest Payable – Bonds	1,128,222	0	0
Principal Payable – Bonds	8,977,175	0	0
Total New Budget	\$0	\$0	\$10,457,200
Total Actual/Planned Budget	\$10,105,397	\$10,271,800	\$10,457,200

DRAFT

TASK: 95010000 DEBT SERVICE – YUCCA VALLEY/01 ISSUE B

OBJECTIVE: To account for the Measure I Sales Tax funds withheld by the Bond Trustee, The Bank of New York Trust Company, N.A., for the Town of Yucca Valley's portion of the Debt Service on the 2001 Series B Sales Tax Revenue Bonds.

ACCOMPLISHMENTS: SANBAG has successfully monitored the activities of the trustee who has been withholding funds for Debt Service and who has been investing funds on behalf of SANBAG. This activity relates specifically to the issuance of the 2001 B Sales Tax Revenue Bonds.

DESCRIPTION: Debt Service for the Town of Yucca Valley's portion of the April 10, 2001, \$47,020,000 Sales Tax Revenue Bonds, 2001 Series B. The proceeds were used to fund a partial defeasance of the Sales Tax Revenue Bonds, 1993 Series A.

WORK ELEMENTS:

1. This task contains the actual collection of debt service funds and does not include any budget for the cost of administration. This task is for accounting purposes only.

PRODUCT: Fiscal Accounting.

FUNDING

SOURCES: \$ 169,410 Town of Yucca Valley Measure I Arterial Fund

\$ 169,410 TOTAL NEW BUDGET

\$ 0 Total Anticipated Encumbrances on 06/30/09

\$ 0 Unbudgeted Obligations in Contracts Approved Prior to
FY 2009/2010

MANAGER: William Stawarski

TASK NO. 95010000 Debt Service – Yucca Valley/01 Issue B
MANAGER: William Stawarski

BUDGET COMPARISON
2009/2010 Proposed Budget

	2007/08 Actual	2008/09 Budget As of 02/04/09	2009/10 Proposed
Anticipated Encumbrances	\$0	\$0	\$0
Line Item			
Debt Service Expense	0	166,380	169,410
Interest Payable - Bonds	18,578	0	0
Principal Payable – Bonds	147,825	0	0
Total New Budget	\$0	\$0	\$169,410
Total Actual/Planned Budget	\$166,403	\$166,380	\$169,410

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- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
■ San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies
-

Minute Action

AGENDA ITEM: 8

Date: March 11, 2009

Subject: Resolution No. 09-010, Issuance of the 2009 Sales Tax Revenue Note
(Limited Tax Bonds)

Recommendation:* Approve Resolution No. 09-010 authorizing issuance of the 2009 Sales Tax
Revenue Note (Limited Tax Bonds), in an amount not to exceed \$210 million.

Background: In 2004, San Bernardino County voters approved the extension of the Measure I
sales tax (Measure I 2010-2040). Ordinance 04-01 authorizes the allocation of
revenue to the Valley and Mountain-Desert areas and establishes the expenditure
plan. SANBAG is in the process of finalizing the Strategic Plan for Measure I
2010-2040. The strategic plan's cash flow analysis identifies the need for future
bonded indebtedness to facilitate the proposed expenditure plan.

The need for the issuance of bonds backed by Measure I 2010-2040 revenue has
been identified in order for SANBAG to meet its obligations per the Trade
Corridor Improvement Fund (TCIF) Baseline Agreements. The projects are listed
below. In addition, there is an opportunity to invest the proceeds from the bonds
until they are needed in a financial instrument that will assist in keeping the I-215
corridor improvements through the City of San Bernardino on schedule.

The Proposition 1B funding for the I-215 corridor improvements is in jeopardy
due to the state fiscal crisis. The remaining improvements, with a construction
value of \$431M, are ready to be advertised with construction commencing this
fall. The amount of Proposition 1B funds in jeopardy is \$326M.

*

*Approved
Administrative Committee*

Date: March 11, 2009

Moved: *Second:*

In Favor: *Opposed:* *Abstained:*

Witnessed: _____

The I-215 project is a project of statewide significance with the greatest opportunity to leverage a portion of the stimulus funds under State discretion. The main reasons the project has this opportunity is that the project is ready to break ground, the construction project will create an estimated 8,000 jobs, and this region is one of the most economically impacted areas of the State. However, the stimulus funds will not be sufficient to replace all the Proposition 1B funds. To keep the I-215 project moving to construction, local funds will also be required to make up the shortfall. The local funds will be reimbursed by Proposition 1B funds. The other option is to delay the project waiting for Proposition 1B funds.

A funding scenario has been developed that assists in meeting this shortfall by utilizing funds that are at the discretion of SANBAG. The funding scenario includes utilizing all the stimulus funds under SANBAG discretion and future Measure I revenue. Access to the future Measure I 2010-2040 revenue could be obtained by utilizing a financial instrument, such as a short term note. To meet our obligations per the TCIF Baseline agreements, the sale of bonds backed by Measure I 2010-2040 revenue will be required in the near future. To meet these obligations and to give access to funds required to keep the I-215 moving forward, it is recommended that the issuance of the financial instruments be completed now.

As stated above, the local funds will be reimbursed by Proposition 1B funds. There are two options for placing the Measure I funds on the corridor project. The first option is to program the funds directly onto the project. An agreement would be entered into with the State that would specify the reimbursement requirements. With the uncertainty of State finances, the State has indicated that a specific date for return of the funds would not be included in the agreement. In addition, the funds returned would need to be expended on a project that meets the requirements of the Congestion Mobility Improvement Account (CMIA).

The second option is to utilize the Measure I funds to purchase a special issuance of State General Obligation Bonds titled Private Investment Bonds (PIBs). In purchasing the PIBs, an agreement would be entered into that specifies that the proceeds are to be expended on the I-215 project. The PIBs would mature in approximately two years. Funds repaid to SANBAG from the State can be utilized at the discretion of SANBAG. In addition, the PIBs would provide a yield of return that would offset most of the cost of the SANBAG financial instrument. In summary, the reimbursement date would be established and the utilization of the funds is totally at SANBAG's discretion.

Staff is continuing to discuss the funding plan for the I-215 with parties that will have influence on which projects receive stimulus funds under the discretion of the State. The most probable financial plan requires SANBAG to contribute all the stimulus funds under SANBAG's discretion, which should be in excess of \$30M, and approximately \$150M of Measure I funds. Utilizing the option to purchase PIBs, the Measure funds would be invested in PIB's and the State would allocate the funds to the I-215 project.

As stated above, the sale of bonds will be required to meet the Measure I 2010-2040 obligations outlined in the TCIF Baseline Agreements. Until a comprehensive Delivery Plan is developed which includes financial strategies, the total amount of bonding needs cannot be confirmed. In developing the Delivery Plan an analysis will be conducted of how the issuance of the long term bond will impact the various programs. For this reason, it is recommended that a short-term sales tax revenue note (short-term note) be issued that will mature in approximately 24 months. At that time a long term bond would be issued that would include additional SANBAG bonding needs.

The value of the short-term note needs to be \$150M plus additional revenue to cover expenses on TCIF projects, the La Mesa/Nisqualli Interchange project, and the short-term note financial costs until the long term bonds are issued. The short-term sales tax revenue note will not exceed \$210 million. The note will provide financing for the following Measure I 2010-2040 projects over the duration of the note:

Projects to be identified in the SANBAG Board approved Delivery Plan (<i>Projects may include Devore Interchange, I-10 HOV, I-215 Bi-County, I-215/ Barton Rd Interchange, I-215/Mt Vernon Interchange, Ranchero Rd Interchange, Lenwood Grade Separation</i>)	\$150,000,000*
Valley RR Grade Separations (<i>Projects may include Palm Ave, South Milliken, North Milliken, Vineyard Ave, South Archibald, Glen Helen</i>)	\$3,000,000
I-10/Citrus&Cherry Interchanges	\$12,000,000
La Mesa/Nisqualli Interchange	\$24,000,000
Total Project Costs	\$189,000,000
Estimated Issuance Costs, Capitalized Interest & Reserve	\$21,000,000
Total Sales Tax revenue Note	\$210,000,000

* Repayment from the State Private Investment Bonds

The I-15/La Mesa/Nisqualli Interchange project is ready to proceed to construction in December. The funding required to allow this to occur has been included in the value of the short-term note. However, before a final decision on whether to include the funding in the short-term note sale, a review of the revenue projections, cost of borrowing and impacts to other projects in the Victor Valley Major Local Highways program will need to be conducted by Victor Valley Subarea representatives and the results brought forward to the Mountain Desert Committee.

In summary, it is recommended that Authority be granted approval to issue a short-term sales tax revenue note for an amount not to exceed \$210 million. The note will mature within 24 months with an estimated interest rate of 3.5-4% based on current market conditions.

Financial Impact: The 2009 Sales Tax Revenue Note will provide short-term financing projects identified in the Measure I 2010-2040 expenditure plan and provide a vehicle to ensure the timely receipt of Proposition 1B funding for the I-215 project.

Reviewed By: This item will be reviewed by the Administrative Committee on March 11, 2009, and reported on at the Major Projects Committee March 12, 2009, Plans and Programs Policy Committee March 18, 2009, and Mountain Desert Committee/Measure I Committee March 20, 2009. This item has also been reviewed by SANBAG Counsel, the SANBAG Financial Advisor, Bond Counsel, and Disclosure Counsel.

Responsible Staff: Garry Cohoe, Director of Freeway Construction
William Stawarski, Chief Financial Officer

RESOLUTION NO. 09-010

AUTHORIZING THE ISSUANCE AND SALE OF NOT TO EXCEED \$210,000,000 AGGREGATE PRINCIPAL AMOUNT OF SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY SALES TAX REVENUE NOTES (LIMITED TAX BONDS), 2009 SERIES A, THE EXECUTION AND DELIVERY OF AN INDENTURE, SUPPLEMENTAL INDENTURE, PURCHASE CONTRACT, OFFICIAL STATEMENT AND CONTINUING DISCLOSURE AGREEMENT AND THE TAKING OF ALL OTHER ACTIONS NECESSARY IN CONNECTION THEREWITH

WHEREAS, the San Bernardino County Transportation Authority (the "Authority") is a public instrumentality duly established and existing pursuant to the Local Transportation Authority and Improvement Act (the "Act"), being Division 19 of the Public Utilities Code of the State of California (Section 180000 *et seq.*);

WHEREAS, the Authority is authorized pursuant to the Act to, among other things, and with voter approval, levy a retail transactions and use tax in accordance with the provisions of Chapter 5 of the Act (Section 180200 *et seq.*) and Part 1.6 (commencing with Section 7251) of Division 2 of the California Revenue and Taxation Code (the "Sales Tax Law") and to issue limited tax bonds payable from the proceeds of such tax;

WHEREAS, the Authority adopted Ordinance No. 89-1, named the "Transportation Expenditure Plan and Retail Transactions and Use Tax Ordinance" (as further amended and supplemented, "Ordinance No. 89-1"), on August 2, 1989, pursuant to the provisions of the Act, which Ordinance provided for the imposition of a retail transactions and use tax (the "Sales Tax") applicable in the incorporated and unincorporated territory of the County of San Bernardino (the "County") in accordance with Chapter 5 of the Act and the Sales Tax Law at the rate of one-half of one percent (1/2%) for a period not to exceed twenty (20) years;

WHEREAS, by its terms, Ordinance No. 89-1 became effective at the close of the polls on November 7, 1989, the day of the election at which the proposition imposing the Sales Tax was approved by a majority vote of the electors voting on the measure, and the collection of the Sales Tax commenced on April 1, 1990;

WHEREAS, the Authority adopted Ordinance No. 04-01, named "An Ordinance Providing for the Continuation of a One-Half of One Percent Retail Transactions and Use Tax by the San Bernardino County Transportation Authority for Local Transportation Purposes and the Transportation Expenditure Plan" (the "Ordinance") on June 2, 2004, pursuant to the provisions of the Act, which Ordinance provides for the continued imposition of the Sales Tax applicable in the incorporated and unincorporated territory of the County in accordance with the provisions of Chapter 5 of the Act and the Sales Tax Law at the rate of one-half of one percent (1/2%) for a period not to exceed thirty (30) years beginning April 1, 2010;

WHEREAS, the Ordinance became effective at the close of the polls on November 2, 2004, the day of the election at which the proposition providing for the continued imposition of the Sales Tax was approved by more than two-thirds of the electors voting on the measure;

WHEREAS, the Authority is authorized by Section 180251 of the California Public Utilities Code to issue from time to time limited tax bonds authorized by voters concurrently with the approval of the Sales Tax, secured and payable in whole or in part from revenues of the Sales Tax ("Sales Tax Revenues");

WHEREAS, pursuant to Chapter 6 of the Act (Section 180250 *et seq.*), Ordinance No. 89-1 empowers the Authority to sell or issue limited tax bonds in the aggregate principal amount at any one time outstanding not to exceed \$500 million to carry out the transportation projects described in the San Bernardino County Transportation Expenditure Plan, adopted as part of Ordinance No. 89-1, including any amendments thereto;

WHEREAS, pursuant to Chapter 6 of the Act, the Ordinance empowers the Authority to sell or issue, from time to time, on or before the collection of the Sales Tax, bonds, or other evidences of indebtedness, including negotiable bond anticipation notes, in the aggregate principal amount at any one time outstanding of not to exceed the estimated proceeds of the tax, as determined by the San Bernardino County Transportation Authority Expenditure Plan adopted as part of the Ordinance, including any future amendments thereto (the "Expenditure Plan"), for capital outlay expenditures for transportation purposes as set forth in the Ordinance, including to carry out the transportation projects described in the Expenditure Plan;

WHEREAS, the Authority has heretofore authorized the issuance of (i) its Sales Tax Revenue Bonds (Limited Tax Bonds), 1996 Series A (the "1996 Bonds"), (ii) its Sales Tax Revenue Bonds (Limited Tax Bonds), 1997 Series A (the "1997 Bonds"), (iii) its Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), 2001 Series A (the "2001A Bonds"), and (iv) its Sales Tax Revenue Refunding Bonds (Limited Tax Bonds), 2001 Series B (the "2001B Bonds" and, together with the 1996 Bonds, the 1997 Bonds, and the 2001A Bonds, the "Prior Bonds"), all pursuant to an Indenture, dated as of March 1, 1992 (as amended and supplemented, the "1992 Indenture"), by and between the Authority and The Bank of New York Mellon Trust Company, N.A., as successor in interest to BNY Western Trust Company, as trustee (the "Trustee");

WHEREAS, the Authority hereby determines that one or more new series or subseries of bond anticipation notes in an aggregate principal amount not to exceed two hundred ten million dollars (\$210,000,000) is necessary for the following purposes, the total estimated cost of which is two hundred ten million dollars (\$210,000,000): (i) to finance funds to acquire, construct, improve, renovate and equip certain of those capital facilities authorized in the Expenditure Plan, (ii) to pay capitalized interest on the notes through maturity, (iii) to fund a reserve fund, if any, for such notes, and (iv) to pay costs of issuance incurred in connection with such notes, and the Authority has determined that such notes in an amount not to exceed such principal amount shall be issued, secured by a lien on the Sales Tax Revenues collected pursuant to the Ordinance on and after April 1, 2010, and entitled, "San Bernardino County Transportation Authority Sales Tax Revenue Notes (Limited Tax Bonds), Series 2009" (the "Series 2009 Notes");

WHEREAS, until the Prior Bonds have been discharged in full, the 2009 Notes will be payable from and secured by the Sales Tax Revenues on a basis subordinate to the Prior Bonds;

WHEREAS, while the 2009 Notes are outstanding, no further obligations will be issued under the 1992 Indenture;

WHEREAS, the Authority has appointed Montague, DeRose & Associates as financial advisor to the Authority, and has retained Orrick, Herrington & Sutcliffe LLP as bond counsel and Nossaman LLP as disclosure counsel to the Authority;

WHEREAS, Senate Bill 1266 (Statutes 2006, Chapter 25) established the Highway Safety, Traffic Reduction, Air Quality, and Port Security Fund of 2006 (Government Code 8879.20 *et seq.*) as adopted by voters in the State of California (the "State") upon approval of Proposition 1B on November 7, 2006 ("Proposition 1B");

WHEREAS, due to the fiscal crisis in the State's 2008-09 fiscal year, on December 17, 2008, the State's Pooled Money Investment Board (the "PMIB") suspended further project reimbursements for projects funded by Proposition 1B monies, including reimbursements to projects under construction, which suspension has the potential to delay transportation projects and increase costs of construction for such projects within the County ("County Proposition 1B Projects");

WHEREAS, the Authority hereby determines that a purchase of State general obligation bonds by the Authority could assist the State in continuing County Proposition 1B Projects and desires to authorize such investment;

WHEREAS, the Authority hereby further determines that the Series 2009 Notes shall be issued pursuant to an Indenture (the "Indenture"), as it may be amended and supplemented pursuant to its terms, including as amended and supplemented by a First Supplemental Indenture thereto (the "Supplemental Indenture"), which Indenture and Supplemental Indenture are proposed to be entered into by the Authority and the Trustee;

WHEREAS, there has been prepared and presented to the Board of Directors of the Authority (the "Board") a proposed form of Indenture and proposed form of Supplemental Indenture;

WHEREAS, in order to set forth the terms of sale of the Series 2009 Notes, the Authority proposes to enter into a bond purchase agreement (the "Purchase Contract") with a purchaser or purchasers (the "Purchaser") to be designated by the Chief Financial Officer of the Authority (the "Chief Financial Officer") pursuant to a request for proposals process;

WHEREAS, there has been prepared and presented to the Board a proposed form of Purchase Contract;

WHEREAS, in order to provide information about the Series 2009 Notes and related matters to purchasers and potential purchasers of the Series 2009 Notes, the Authority proposes to execute and deliver an official statement (the "Official Statement");

WHEREAS, there has been prepared and presented to the Board a proposed form of Official Statement in preliminary form (the "Preliminary Official Statement") and a proposed form of Continuing Disclosure Agreement (the "Continuing Disclosure Agreement");

WHEREAS, the Authority expects to pay certain expenditures (the "Reimbursement Expenditures") in connection with the projects in the Expenditure Plan prior to the issuance of indebtedness for the purpose of financing costs associated with such projects on a long-term basis;

WHEREAS, the Authority reasonably expects that the 2009 Notes and other sales tax bonds in an amount not to exceed \$500,000,000 will be issued from time to time for the purpose of financing costs of the projects in the Expenditure Plan on a long term basis and that certain of the proceeds of such debt obligations will be used to reimburse itself for the Reimbursement Expenditures;

WHEREAS, Section 1.150-2 of the Treasury Regulations requires the Authority to declare its reasonable official intent to reimburse prior expenditures for such projects with proceeds of a subsequent borrowing;

WHEREAS, the Authority has been presented with the forms of the Indenture, the Supplemental Indenture, the Purchase Contract, the Continuing Disclosure Agreement and the Official Statement relating to the financing described herein (the "Financing"), and the Authority has examined and approved each document and desires to authorize and direct the execution of such documents as are specified herein and such other documents as are necessary in connection with the Financing and to authorize and direct the consummation of the Financing; and

WHEREAS, all acts, conditions and things required by the Law and the Constitution and laws of the State of California to exist, to have happened and to have been performed precedent to and in connection with the consummation of the Financing authorized hereby do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the Authority is now duly authorized and empowered, pursuant to each and every requirement of law, to authorize such Financing and to authorize the execution of the Indenture, the Supplemental Indenture, the Purchase Contract, the Official Statement and the Continuing Disclosure Agreement for the purposes, in the manner and upon the terms provided;

NOW THEREFORE, THE SAN BERNARDINO COUNTY TRANSPORTATION AUTHORITY RESOLVES:

Section 1. The Authority finds and determines that the foregoing recitals are true and correct.

Section 2. The issuance by the Authority of not to exceed \$210,000,000 aggregate principal amount of San Bernardino County Transportation Authority Sales Tax Revenue Notes (Limited Tax Bonds), 2009 Series A, in accordance with the provisions set forth in the Indenture, in one or more series or subseries, is hereby authorized and approved.

Section 3. The proposed form of Indenture and Supplemental Indenture presented to this meeting and the terms and conditions thereof are hereby approved. The structure, date,

maturity date or dates (not to exceed three years from the date of issuance), a fixed interest rate or rates (such rates not to exceed a maximum of 6% per annum) or methods of determining the same, principal and interest payment dates, forms, registration and conversion and exchange privileges, if any, place or places of payment, terms of redemption, tender, mandatory purchase, authorized denominations in any integral multiple of \$5,000, or additional series designation and number thereof, form of notes and other terms of the Series 2009 Notes shall be (subject to the foregoing limitations) as provided in the Indenture and the Supplemental Indenture as finally executed and delivered.

The Executive Director of the Authority (the "Executive Director") and the Chief Financial Officer (each an "Authorized Officer") are singly hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Indenture and the Supplemental Indenture, in substantially said form, with such changes therein as the Authorized Officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Purchase Contract presented to this meeting and the terms and conditions thereof are hereby approved. An Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, (i) to sell the Series 2009 Notes pursuant to the Purchase Contract to the Purchaser designated by the Chief Financial Officer, and (ii) to execute and deliver a Purchase Contract, in substantially said form, with such changes therein as the officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof, provided that the Purchaser's compensation set forth therein shall not to exceed 0.75% of the principal amount of the Series 2009 Notes and the true interest cost ("TIC") to the Authority of the 2009 Notes shall not exceed 4.5%.

Section 5. The proposed form of Preliminary Official Statement presented to this meeting is hereby approved. An Authorized Officer is hereby authorized and directed to execute and deliver to the Purchaser a certificate deeming the Preliminary Official Statement, in substantially the form on file with the Clerk and presented to this meeting and with such changes as the Authorized Officer approves in the interest of the Authority, final within the meaning of Securities Exchange Authority Rule 15c2-12. The Purchaser is hereby authorized to distribute the Preliminary Official Statement in the form so deemed final by the Authorized Officer. An Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver a final Official Statement, in substantially said form, with such changes therein as the officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 6. The proposed form of Continuing Disclosure Agreement presented to this meeting is hereby approved. An Authorized Officer is hereby authorized and directed, for and in the name and on behalf of the Authority, to execute and deliver the Continuing Disclosure Agreement, in substantially said form, with such changes therein as such officer executing the same may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 7. An Authorized Officer is hereby authorized to enter into an agreement or agreements with the State pursuant to which the State will continue to fund certain County Proposition 1B Projects, as designated by the Authorized Officer, that would otherwise be at risk due to the PMIB suspension of Proposition 1B reimbursements, and, in connection with any such agreements, to invest amounts, including proceeds of the 2009 Notes, including amounts held in funds and accounts created under the Indenture and Supplemental Indenture and other funds of the Authority, in general obligation bonds issued by the State, and notwithstanding anything to the contrary contained in the investment policy of the San Bernardino Associated Governments applicable to the Authority, which provisions are hereby waived, such investments shall be permitted investments of the Authority.

Section 8. In compliance with the requirements of Section 1.150-2 of the Treasury Regulations, the Authority hereby declares its intent to reimburse itself for the Reimbursement Expenditures.

Section 9. All approvals, consents, directions, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, including, without limitation, any amendment of any of the documents authorized by this Resolution or other agreement related thereto, or any reserve facility, any investment of proceeds of the Series 2009 Notes, or in connection with the addition, substitution or replacement of underwriters, or the defeasance or discharge of the Prior Bonds and the 1992 Indenture as it has been hereto amended and supplemented, or any agreements with paying agents, escrow agents or verification agents, the removal or replacement of the Trustee or any similar action may be given or taken by an Authorized Representative (as such term is defined in the Indenture), without further authorization or direction by this Board, and each Authorized Representative is hereby authorized and directed to give any such approval, consent, direction, notice, order, request or other action and to take any such action which such Authorized Representative may deem necessary or desirable to further the purposes of this Resolution.

All consents, approvals, notices, orders, requests and other actions permitted or required by any of the documents authorized by this Resolution, whether before or after the issuance of the Series 2009 Notes, which may be necessary or desirable in connection with any default under or amendment of such documents, settlements or revisions, may be taken or given by the Authorized Representative, without further authorization by this Board, and the Authorized Representative is hereby authorized and directed to give such consent, approval, notice, order or request and to take any such action which such officer may deem necessary or desirable to further the purposes of this Resolution and the transactions contemplated hereby.

Section 10. All actions heretofore taken by the officers and agents of the Authority with respect to the Financing and the issuance and sale of the Series 2009 Notes are hereby ratified, confirmed and approved. If at the time of execution of any of the documents authorized herein, the Executive Director is unavailable, such documents may be executed by the Deputy Executive Director of the Authority or the Chief Financial Officer in lieu of the Executive Director. The Chief Financial Officer of the Authority shall act as the Auditor-Controller of the Authority for execution of the Series 2009 Notes. The Clerk of the Board of the Authority is hereby authorized to attest to the execution by the Executive Director or the Deputy Executive

Director or the Chief Financial Officer of any of such documents as said officers deem appropriate.

The proper officers and agents of the Authority are hereby authorized and directed, jointly and severally, for and in the name and on behalf of the Authority, to do any and all things and to take any and all actions and to execute and deliver any and all agreements, certificates and documents, including, without limitation, any tax certificates or agreements, any agreements for depository or verification services, and any agreements for rebate compliance services, which they, or any of them, may deem necessary or advisable in order to consummate the Financing and the issuance and sale of the Series 2009 Notes and otherwise to carry out, give effect to and comply with the terms and intent of the Ordinance, this Resolution, the Series 2009 Notes and the documents approved hereby.

Section 11. This Resolution shall take effect immediately upon its adoption and approval.

APPROVED AND ADOPTED by the San Bernardino County Transportation Authority at its meeting on [April 1], 2009.

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	<i>Approved</i> <i>San Bernardino Associated Governments</i> <i>Date:</i> _____ <i>Moved:</i> _____ <i>Second:</i> _____ <i>In Favor:</i> _____ <i>Opposed:</i> _____ <i>Abstained:</i> _____ <i>Witnessed:</i> _____
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AB	Assembly Bill
ACE	Alameda Corridor East
ACT	Association for Commuter Transportation
ADA	Americans with Disabilities Act
APTA	American Public Transportation Association
AQMP	Air Quality Management Plan
ATMIS	Advanced Transportation Management Information Systems
BAT	Barstow Area Transit
CAC	Call Answering Center
CALACT	California Association for Coordination Transportation
CALCOG	California Association of Councils of Governments
CALSAFE	California Committee for Service Authorities for Freeway Emergencies
CALTRANS	California Department of Transportation
CARB	California Air Resources Board
CEQA	California Environmental Quality Act
CHP	California Highway Patrol
CMAQ	Congestion Mitigation and Air Quality
CMP	Congestion Management Program
CNG	Compressed Natural Gas
COG	Council of Governments
CSAC	California State Association of Counties
CTA	California Transit Association
CTAA	Community Transportation Association of America
CTC	California Transportation Commission
CTC	County Transportation Commission
CTP	Comprehensive Transportation Plan
DMO	Data Management Office
DOT	Department of Transportation
E&H	Elderly and Handicapped
EIR	Environmental Impact Report
EIS	Environmental Impact Statement
EPA	United States Environmental Protection Agency
ETC	Employee Transportation Coordinator
FEIS	Final Environmental Impact Statement
FHWA	Federal Highway Administration
FSP	Freeway Service Patrol
FTA	Federal Transit Administration
FTIP	Federal Transportation Improvement Program
GFOA	Government Finance Officers Association
GIS	Geographic Information Systems
HOV	High-Occupancy Vehicle
ICMA	International City/County Management Association
ICTC	Interstate Clean Transportation Corridor
IEEP	Inland Empire Economic Partnership
ISTEA	Intermodal Surface Transportation Efficiency Act of 1991
IIP/ITIP	Interregional Transportation Improvement Program
ITS	Intelligent Transportation Systems
IVDA	Inland Valley Development Agency
JARC	Job Access Reverse Commute
LACMTA	Los Angeles County Metropolitan Transportation Authority
LNG	Liquefied Natural Gas
LTF	Local Transportation Funds
MAGLEV	Magnetic Levitation
MARTA	Mountain Area Regional Transportation Authority
MBTA	Morongo Basin Transit Authority
MDAB	Mojave Desert Air Basin
MDAQMD	Mojave Desert Air Quality Management District
MIS	Major Investment Study
MOU	Memorandum of Understanding

MPO	Metropolitan Planning Organization
MSRC	Mobile Source Air Pollution Reduction Review Committee
MTP	Metropolitan Transportation Plan
NAT	Needles Area Transit
OA	Obligation Authority
OCTA	Orange County Transportation Authority
OWP	Overall Work Program
PA&ED	Project Approval and Environmental Document
PASTACC	Public and Specialized Transportation Advisory and Coordinating Council
PDT	Project Development Team
PPM	Planning, Programming and Monitoring Funds
PSR	Project Study Report
PTA	Public Transportation Account
PVEA	Petroleum Violation Escrow Account
RCTC	Riverside County Transportation Commission
RDA	Redevelopment Agency
RFP	Request for Proposal
RIP	Regional Improvement Program
ROD	Record of Decision
RTAC	Regional Transportation Agencies' Coalition
RTIP	Regional Transportation Improvement Program
RTP	Regional Transportation Plan
RTPA	Regional Transportation Planning Agencies
SB	Senate Bill
SAFE	Service Authority for Freeway Emergencies
SANBAG	San Bernardino Associated Governments
SCAB	South Coast Air Basin
SCAG	Southern California Association of Governments
SCAQMD	South Coast Air Quality Management District
SCRRA	Southern California Regional Rail Authority
SED	Socioeconomic Data
SHA	State Highway Account
SHOPP	State Highway Operations and Protection Program
SOV	Single-Occupant Vehicle
S RTP	Short Range Transit Plan
STAF	State Transit Assistance Funds
STIP	State Transportation Improvement Program
STP	Surface Transportation Program
TAC	Technical Advisory Committee
TCM	Transportation Control Measure
TCRP	Traffic Congestion Relief Program
TDA	Transportation Development Act
TEA	Transportation Enhancement Activities
TEA-21	Transportation Equity Act for the 21 st Century
TIA	Traffic Impact Analysis
TMC	Transportation Management Center
TMEE	Traffic Management and Environmental Enhancement
TOC	Traffic Operations Center
TOPRS	Transit Operator Performance Reporting System
TSM	Transportation Systems Management
USFWS	United States Fish and Wildlife Service
UZAs	Urbanized Areas
VCTC	Ventura County Transportation Commission
VVTA	Victor Valley Transit Authority
WRCOG	Western Riverside Council of Governments

San Bernardino Associated Governments



MISSION STATEMENT

To enhance the quality of life for all residents, San Bernardino Associated Governments (SANBAG) will:

- Improve cooperative regional planning
- Develop an accessible, efficient, multi-modal transportation system
- Strengthen economic development efforts
- Exert leadership in creative problem solving

To successfully accomplish this mission, SANBAG will foster enhanced relationships among all of its stakeholders while adding to the value of local governments.

Approved June 2, 1993
Reaffirmed March 6, 1996